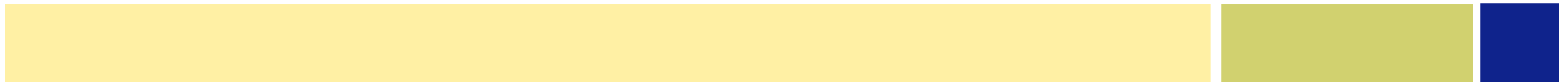


City of Arlington – 2008 Open Enrollment



Workforce Services
October 2007



Retirees



Today's Presentation

- Overview for Retirees Under Age 65
- Overview for Retirees 65 and Over
- In 2008, for the first time, benefit plan options are different for the two age groups
- UnitedHealthcare's Programs
- Information from Social Security and Medicare (CMS)
- Questions



Overview for Retirees Under Age 65

- What's New in 2008?
- 2008 Enrollment
- Plan Comparison



What's New in 2008?

- New Medical Plan Design – Value Plan
- City Contribution to HSA at \$500 if enrolled in the Value Plan and open a bank account with Exante
- Preventive Care Coverage at 100% before deductible on the Value, Core and Plus Plans
- New PPO Low Dental Option
- City Contribution to FSA at 25% if enrolled in the Core or Plus Plan



New Medical Benefit – Value Plan

- Deductible - \$1,500 for individual coverage (one person only), \$3,000 for retiree plus spouse or family (more than one person)
- Out-of-Pocket Maximum - \$5,000 for individual only (one person only), \$10,000 for retiree plus spouse or family (more than one person)
- The deductible counts toward the out-of-pocket maximum unlike the other plans
- Deductibles and out-of-pocket maximums include both pharmacy and medical expenses There is no separate out-of-pocket maximum for pharmacy
- After the deductible is met, the plan pays 90% co-insurance and you pay 10% toward eligible expenses, including prescriptions
- Once the total out-of-pocket maximum is met (as stated above), the plan pays 100% of eligible expenses for all covered persons
- The plan accesses the same UHC network and covers the same services as the Core, Plus and Premium plans
- Once enrolled in the Value Plan, you are eligible to enroll in a Health Savings Account (HSA) and your account must be approved by Exante Bank



Contribution to Health Savings Account

- City will make a \$500 contribution to a Health Savings Account based on the following criteria:
 - Participant must be enrolled in the Value Plan
 - Participant must open an HSA account at UHC's Exante Bank and make a minimum contribution of \$10.00 per month
 - A website will be provided to open your HSA account. The account must be opened, approved and ready for contribution by December 31, 2007.
 - Opening the HSA account is the retiree's responsibility and each individual must meet the requirements of Exante Bank and the Patriot Act to open the account
 - Participant and spouse (if enrolled) must also complete and/or update the Health Assessment at www.myuhc.com prior to November 30, 2007 to be eligible for the \$500.00 City contribution to the HSA account
 - Additional information about the HSA can be found on the City's internet site at www.arlingtontx.gov, Select Workforce Services under City Services Web Site and look for the Retiree link



HSAs – What you need to know

- Account belongs to you and you are fully vested in the funds in the account
- The contributions in your account, if not used, roll over from year to year.
- The contributions earn a level of interest and once you reach a \$2,000 balance, may be invested in a select group of funds available through Exante.
- You must be enrolled in the Value Plan through the City of Arlington to be eligible to open an account. As long as you are a participant in the Value Plan through the City, the City will pay the \$3 monthly maintenance fee.
- To be eligible to contribute to an HSA, you cannot be covered by any other medical plan and your spouse cannot be enrolled in a Flexible Spending Account for medical expenses.
- The contribution limits for 2008 are \$2900 for a single individual (one person), \$5800 for a family (more than one person). The City's contribution of \$500 will count toward that contribution limit. There is a \$900 catch-up provision for persons over the age of 55 in 2008.
- There are tax forms that will be mailed to you and you must file the information about your HSA on your income tax return.
- Additional information is on the City's website and available through the IRS.



Preventive Care

- Beginning January 1, 2008, most services that are coded as preventive care will be paid at 100% on the Value, Core and Plus Plans
- These services will be based on age and gender specific guidelines established by the United States Preventive Services Task Force
- United Healthcare has provided a flyer describing these guidelines
 - This was included in your 2008 retiree packet and is available on the City's website



New PPO Low Dental Plan Option

- The City has added a third dental option which will be available in 2008.
- The Low PPO dental plan option includes
 - Preventive,
 - Basic, and
 - Major Services
- The Annual Maximum Benefit is \$750 per person
- This plan does not cover orthodontic services
- This plan has in- and out-of-network benefits



Contribution to Flexible Spending Account

- The City will make a contribution of 25% of the deductible to a Flexible Spending Account (FSA) for eligible pre-65 participants based on the following criteria:
 - Enrolled in the Core or Plus Plan.
 - Retiree and Spouse must complete and/or update your health assessment at www.myuhc.com by November 30, 2007.



2008 Enrollment for Retirees under age 65

- Retirees or spouses under age 65 need to submit a form if they are changing plans
- If you are not making a change, **please do not submit an enrollment form!**
- Retirees or spouses enrolling the Core, Plus, or Value Plans must complete the Health Assessment at www.myuhc.com by November 30, 2007, to be eligible for the City's contribution to the Flexible Spending Account for the Core or Plus Plans and the Health Savings Account for the Value Plan.
- All enrollment forms (**for changes only**) are due in Workforce Services by October 31, 2007, at 5:00 p.m.
- A confirmation summary of your choices will be mailed by mid December 2007. If you note any typographical errors please notify Workforce Services immediately.

Medical Plans Comparison Chart

	Value Plan	Core Plan	Plus Plan	Premium Plan
Annual Deductible	\$1500 Retiree Only \$3000 RE + SP or FAM	\$1000/\$2000	\$500/\$1000	None
Co-Insurance	10% of eligible charges	20% of eligible charges	20% of eligible charges	20% of eligible charges Does not apply to physician visits
Out of Pocket Max	\$5,000/\$10,000 Deductible applies to out-of-pocket maximum	\$4,000/\$8,000 Deductible does not apply to out-of-pocket max	\$2,500/\$5,000 Deductible does not apply to out-of-pocket max	\$1,000/\$2,000 Co-pays do not apply to out-of-pocket maximum
Physician Visit	10% after deductible	20% after deductible	20% after deductible	\$25 co-pay
Specialist Visit	10% after deductible	20% after deductible	20% after deductible	\$35 co-pay
After Hours Visit	10% after deductible	20% after deductible	20% after deductible	Differs by provider
Physical Exams	10% after deductible	20% after deductible	20% after deductible	\$25 copay
GYN Exams	10% after deductible	20% after deductible	20% after deductible	\$25 copay if PCP, \$35 copay if OB/GYN
Baby/Child Care	10% after deductible	20% after deductible	20% after deductible	\$25 copay
In Patient Hospital	10% after deductible	20% after deductible	20% after deductible	\$200 copay per admission then 20%
Emergency Room	10% after deductible	20% after deductible	20% after deductible	\$100 copay per visit waived if admitted, then 20%
Urgent Care Facility	10% after deductible	20% after deductible	20% after deductible	\$35 copay
Ambulance	10% after deductible	20% after deductible	20% after deductible	\$50 copay then 20% co-insurance
Outpatient Surgery	10% after deductible	20% after deductible	20% after deductible	Doctor's office - \$25/\$35 copay Outpatient facility-\$150 copay, then 20%
Mental health Inpatient	10% after deductible	20% after deductible	20% after deductible	\$200 copay per admission then 20%
Outpatient	10% after deductible	20% after deductible	20% after deductible	\$35 copay per visit
Radiology/Anesthesiology Pathology/Lab Svcs	10% after deductible	20% after deductible	20% after deductible	20% co-insurance
Prescriptions	10% after deductible	4 Tier Structure - Separate Co-Insurance Maximum	4 - Tier Structure - Separate Co-Insurance Maximum	4 Tier Structure - Separate co-insurance Maximum



Overview for Retirees 65 and older

- What's happening in 2008
- 2008 Enrollment



What's New in 2008?

- Four policies to chose from
 - AARP Plan F, J or K
 - United Healthcare Rx is available for retirees on these three plans
 - Secure Horizons
 - Includes a drug plan as part of the plan design
- New Low PPO Dental Plan
- No change in the Vision Plan



New Dental Low PPO Plan

- The City has added a third dental option which will be available in 2008.
- The Low PPO dental plan option includes
 - Preventive,
 - Basic, and
 - Major Services
- The Annual Maximum Benefit is \$750 per person
- This plan does not cover orthodontic services
- This plan has in- and out-of-network benefits



Enrollment Procedure – Over 65 retiree and/or spouse

- All participants age 65 and over who wish to have medical coverage through the City of Arlington must enroll in the Secure Horizons Medicare Advantage Plan or one of the AARP plan options (F, J, or K)
- If you are already enrolled in Secure Horizons or AARP Plan K, you will not be required to complete a 2008 enrollment form **unless** you want to make a change in your coverage
- If you are not making a change, **please do not fill out an enrollment form!**
- If you are 65 and over and are currently enrolled in either the Core, Plus or Premium plans, **you must complete a new enrollment form** for 2008 and you may select:
 - The Secure Horizons Medicare Advantage Plan; or
 - AARP plan F, J, or K.
- If enrolling in the AARP Plan F, J, or K, you are also eligible to enroll in the UHC Medicare Part D Pharmacy Plan.
- All 2008 enrollments must be received in Workforce Services by October 31, 2007, at 5 pm.



AARP Membership Fees

- If you enroll in one of the AARP Plans, you are required to obtain a membership in AARP.
- The City will pay the annual fee for your AARP membership.
- If you receive a membership billing statement from AARP, please notify Workforce Services immediately.



Medicare Reminder

- The Centers for Medicare and Medicaid (CMS) allows enrollment in one Medicare Part D Plan.
- The pharmacy plans offered by Secure Horizons and United Healthcare Rx are Medicare Part D Plans.
- Every Medicare eligible participant is required to provide the City with a copy of the front of your Medicare card to ensure accurate Medicare numbers are provided to CMS.
- Your enrollment with a City sponsored plan must be approved by CMS.
- If you attempt to enroll in more than one pharmacy plan, CMS will deny your coverage and will provide you notification that your request to be enrolled in the City's pharmacy plan has been denied.



What if I do not qualify for “free” Medicare Part A

- If you retire with the City of Arlington and do not qualify for “free” Medicare Part A as a result of your City of Arlington service
 - Retiree must provide documentation of ineligibility for “free” Medicare part A coverage and the cost the government is going to charge
 - The City will reimburse the retiree for the cost of Medicare Part A coverage if
 - The retiree also enrolls in and pays for Medicare Part B coverage, and
 - The retiree enrolls in either the Secure Horizons Medicare Advantage Plan or one of the AARP supplement plan options offered by the City; and
 - The retiree provides a copy of the Medicare Part A invoice and proof of payment to the City at least every six months to receive reimbursement



Post 65 Retirees Currently in the Core, Plus or Premium Plans

- Retirees over age 65 may not enroll in the Value, Core, Plus or Premium Plans.
- If you are currently enrolled in the Core, Plus, or Premium plans, you must make a new election for 2008.
- AARP will mail personalized kits to Post-65 retirees enrolled in the 2007 Core, Plus or Premium Plans. Secure Horizons packets will be available after this meeting
- If you do not have packets by October 15, 2007, contact Workforce Services at 817-459-6869.
- Complete the City's 2008 retiree Enrollment/Change Form and return to Workforce Services no later than October 31, 2007 at 5 pm.
- If we do not receive a new medical enrollment form by October 31, 2007, and you are currently enrolled in the Core, Plus or Premium Plans, **your medical coverage will end on December 31, 2007.**



City of Arlington

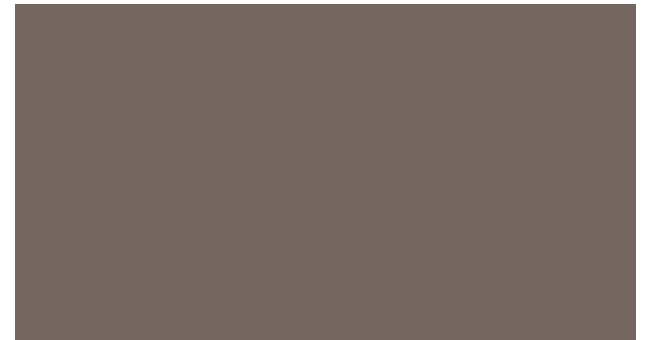
2008 Retiree Benefits Review

AARP Medicare Supplement Plan ~ Secure Horizons ~

UnitedHealth Rx

Topics for Discussion

- ❖ Retiree Benefit Plan Overview
 - ❖ AARP Medicare Supplement Plans
 - ❖ Secure Horizons Medicare Complete
 - ❖ UnitedHealth Rx – Medicare Part D
- ❖ Eligibility/Enrollment Process
- ❖ Customer Service





Plan Overviews

- **AARP Health Care Options** Insured By United HealthCare Insurance Company

- **Medicare Supplement Plans**

- ❖ Fully insured Medicare Supplement (Medigap) Plans
- ❖ Supplements traditional Medicare
 - ❖ Medicare Parts A and B
- ❖ Guaranteed renewable as long as premiums are paid
- ❖ No networks
 - ❖ Visit any provider who accepts Medicare
 - ❖ Nationwide access
 - ❖ Coverage is portable
 - ❖ Permanent State of Residence
- ❖ Plans F J and K subsidized by City of Arlington at the same rate
- ❖ Nurse Health Line / AARP Eye Health Services Plus

- **Secure Horizons Medicare Complete HMO plan by United Healthcare**

- ❖ Fully insured Medicare Supplement (Medigap) Plans
- ❖ Supplements traditional Medicare
 - ❖ Medicare Parts A and B
- ❖ Guaranteed renewable as long as premiums are paid
- ❖ Networks –Required to use in network providers
 - Service Area Counties:
 - ❖ Tarrant, Dallas, Collin, Denton, Johnson, Kaufman, Rockwall, and Ellis
- ❖ No annual health plan deductible
- ❖ Caregiver services



Medicare Supplement Plans Comparison – Hospital Plans F, J and K

Service	Medicare Pays	Plan Pays (2007)	Plan F	Plan J	Plan K
Part A Hospital Days 1 -60	\$992 Deductible	\$992 Deductible	\$0	\$0	\$496
Days 61 -90	\$248 per day	\$248 per day	\$0	\$0	\$0
Days 91 -150	\$496 per day	\$496 per day	\$0	\$0	\$0
Add'l 365 Days	\$0	100% of Medicare Eligible Expense	\$0	\$0	\$0

Medicare Supplement Plans Comparison – Other

Service	Medicare Pays	Plan Pays (2007)	Plan F	Plan J	Plan K
Skilled Nursing Facility	All approved amounts	\$0	\$0	\$0	\$0
Days 1 -20					
Days 21 – 100	All but \$124 per day	Up to \$124 per day	\$0	\$0	
Days 101 +	\$0	\$0 **	All costs	All costs	\$62 per day
Hospice Care	All but very limited coinsurance for drugs and inpatient respite care	\$0 “	Balance	Balance	50% of coinsurance or co-payments
Available with doctor certification					
Part B Medical Services	\$0	\$131 Part B Deductible	\$0	\$0	\$131 ***
Deductible					
Coinsurance			20%	10%	20%
Premium			See Guide	See Guide	See Guide



Secure Horizons Medicare Complete – Benefits

—Current Medical Plan

- > Office Visits \$10/ \$20
- > ER \$50
- > Inpatient \$200 Per Admit
- > Outpatient Surg \$100
- > Ambulance \$50
- > SNF \$0 days 1-20, \$50 days 21-100
(skilled nursing facility)
- > Part B Drugs 20%
- > Hearing Rider \$500 / every 24 months



Secure Horizons Medicare Complete – Benefits

- Current Part D Rx Benefit
 - Retail – 30 Day Supply
 - Generic Copay - \$4
 - Preferred Brand - \$15
 - Non Preferred Brand - \$30
 - Specialty Drugs - \$30
 - Coverage Gap – Full Coverage
 - Mail Order – 2x Retail Copay – 90 Day Supply
 - Generic Copay - \$ 8
 - Preferred Brand - \$30
 - Non Preferred Brand - \$60
 - Specialty Drugs - \$60



Medicare Part D

- ❖ If you enroll in the Secure Horizons Medicare Complete plan you do not need to enroll separately in a Part D plan.
- ❖ If you choose to enroll in AARP HealthCare Options Plan F, J, K you will need to enroll into the UnitedMedicare Rx Plan
- ❖ All Medicare-eligible retirees can enroll
- ❖ Enrollment is voluntary
- ❖ You can only be enrolled in one Part D program
- ❖ All plans include the standard catastrophic coverage per CMS regulations



UnitedMedicare Rx Benefits

- Retail Prescriptions
 - \$10 Generic Copay
 - \$20 Brand Preferred Copay
 - \$35 Non-Preferred Brand Copay
 - \$35 Specialty Drug Copay
- Mail Order 2 x's retail copay
 - \$20 Generic Copay
 - \$40 Brand Preferred Copay
 - \$70 Non-Preferred Brand Copay
 - \$70 Specialty Drug Copay



Eligibility

- AARP Medicare Supplement with Rx Enhanced PDP
 - ❖ Retired Age 65 +
 - ❖ Enrolled in Medicare Parts A and B
 - ❖ Available to all retirees
 - ❖ AARP Membership
 - ❖ If not already a member, 1st year membership will be provided by UnitedHealthCare
- Secure Horizons Medicare Complete - HMO w Rx
 - ❖ Retired Age 65
 - ❖ Enrolled in Medicare Parts A and B
 - ❖ Secure Horizons Service Area
 - ❖ Available to retirees residing in Service Area – Tarrant, Dallas, Collin, Denton, Johnson, Kaufman, Rockwall and Ellis Counties.



Enrollment for 2008

- ❖ If you are currently enrolled in any of the following plans, and are happy with your current benefits

- ❖ AARP Health Care Options
- ❖ UnitedMedicare Rx
- ❖ Secure Horizons Enrollment

❖ You do not need to re-enroll

- ❖ Over the next few months you will receive plan information for 2008

- ❖ Annual Member Notification – October 31 - no action required
- ❖ Annual Notice of Change – December 2007 – no action required
 - ❖ Explains any changes for 2008 in your pharmacy or medical coverage
 - ❖ 2008 Drug List
 - ❖ 2008 Summary of Benefits
 - ❖ 2008 Exclusions and Limitations
- ❖ Evidence of Coverage - January 2008 - no action required



Enrollment Continued

- ❖ If you are a new retiree or are changing plans from a UHC plan to AARP or switching from Secure Horizons to AARP
- ❖ Must call Work Force Services to request a packet
- ❖ Must complete and sign a paper application as applicable
- ❖ Must notify the City of your intention by **October 31, 2007, at 5 p.m.**
- ❖ Once enrollment is processed and also accepted by CMS you will receive:
 - ❖ Welcome Kit
 - ❖ ID Card
 - ❖ Outline of Coverage
- ❖ *'Please refer to the City's Retiree Guide for additional information*



Enrollment Process

- ❖ City of Arlington will submit retiree enrollment information to United
 - ❖ Retiree must actively Opt Out of the UnitedHealth Rx plan by completing Opt Out form
- ❖ 800# for assistance – 1-888-556-6648,
 - ❖ Once enrollment is processed you will receive Welcome Kit
 - ❖ ID Card
 - ❖ Formulary
 - ❖ Mail Order
- ❖ Website for UnitedHealth Rx – www.UnitedHealthRxforGroups.com



Customer Service

Retirees should identify themselves as City of Arlington retirees

- AARP Health Care Options Customer Service
 - ❖ 1-800-392-7537
 - ❖ Monday through Friday from 7:00 a.m. to 11:00 p.m. (Eastern Standard Time)
 - ❖ Saturday from 9 a.m. to 5:00 p.m. (Eastern Standard Time)
 - ❖ www.aarphealthcareoptions.com
- Secure Horizons Medicare Complete HMO Customer Service
 - ❖ Pre Enrollment – 1- 800-610-2660
 - ❖ Post Enrollment – 1-800-950-9355
 - ❖ Monday – Friday 7 a.m. to 9:00 p.m. central time
 - ❖ www.securehorizons.com